

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION)
FOR APPROVAL OF A CHANGE IN ITS) PSC DOCKET NO.11-384F
GAS SALES SERVICE RATES ("GSR"))
TO BE EFFECTIVE NOVEMBER 1, 2011)
(FILED SEPTEMBER 1, 2011)

P U B L I C N O T I C E

TO: ALL NATURAL GAS CUSTOMERS OF CHESAPEAKE UTILITIES CORPORATION
AND OTHER INTERESTED PERSONS

A Hearing Examiner of the Delaware Public Service Commission (the "Commission") will conduct an Evidentiary Hearing concerning the above-captioned matter (as further explained below) at the following time and location:

Date & Time

Thursday
May 3, 2012
10:00 a.m.

Location

Hearing Room
Public Service Commission
861 Silver Lake Boulevard
Cannon Building
Dover, DE 19904

**Chesapeake Utilities Corporation's Gas Sales Service Case,
PSC Docket No. 11-384F**

In September 2011, Chesapeake Utilities Corporation ("Chesapeake") filed an application with the Commission seeking to establish Gas Sales Service Rates ("GSR") for gas service supplied from November 1, 2011 through October 31, 2012. The GSR rates are the component of a customer's bill that reflects the costs that Chesapeake expects to incur to purchase the supply of natural gas needed to serve its customers.

In the application, Chesapeake sought approval to change its GSR rates as follows:

Rate Schedule	Prior Rate	Proposed Rate
RS-1, RS-2, GS, MVS, LVS	\$1.035 per Ccf	\$1.027 per Ccf
GLR, GLO	\$0.668 per Ccf	\$0.592 per Ccf
HLFS	\$0.863 per Ccf	\$0.830 per Ccf

Compared to the rates in effect prior to November 1, 2011, an average RS-2 customer using 700 Ccf per year will experience an annual decrease of approximately 1%, or \$0.50 per month. During the winter heating season, a typical RS-2 customer using 110 Ccf per month will experience a decrease of approximately 1%, or \$0.90 per winter month. A typical RS-2 customer using 120 Ccf per winter month will experience a decrease of approximately 1%, or \$1.00 per winter month.

The Company has also proposed the following changes in its firm and interruptible balancing rates:

Rate Schedule	Prior Firm Balancing Rate	Proposed Firm Balancing Rate
LVS	\$0.054 per Ccf	\$0.063 per Ccf
HLFS	\$0.010 per Ccf	\$0.021 per Ccf

Rate Schedule	Prior Interruptible Balancing Rate	Proposed Interruptible Balancing Rate
ITS	\$0.001 per Ccf	\$0.001 per Ccf

The evidentiary hearing, which is open to the public, is for the purpose of formally introducing evidence by the parties to this proceeding. In accordance with 26 Del.C. §305 and 29 Del.C. §10122(6), the Commission will make its decision in this matter on the basis of the evidence of record taken at the evidentiary hearing and will consider the oral and written comments offered by the public. The Commission's authority to act in this matter derives from 26 Del.C. §§303(b) and 304.

Anyone who plans to attend the evidentiary hearing is cautioned to consult the Commission's website on the day of the hearing for cancellation of or changes in the time, place or date of the event.

Copies of the Company's application and its testimony and schedules are available for public inspection during normal business hours at the Commission's Dover office at the address set out above, or on the Commission's website at <http://dep.sc.delaware.gov/gas.shtml>. The materials may also be reviewed by appointment at the offices of the Division of the Public Advocate, Fourth Floor, Carvel State Office Building, 820 North French Street, Wilmington, Delaware. Please call (302) 577-5077 to schedule an appointment.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. This form may be found at <http://smu.portal.delaware.gov/cgi-bin/mail.php?foia-request&subj=DOS>. There is also a link to the Freedom of Information Act Request Form on the Commission's website, <http://dep.sc.delaware.gov/default.shtml>. The Commission will respond to your request in accordance with the Freedom of Information Act, 29 Del.C. ch. 100.

Any individual with a disability desiring to participate in these proceedings or to review the filings should contact the Commission to discuss any aids or services that might be needed. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. The Commission's toll-free telephone number within Delaware is 1-800-282-8574. The Commission may be reached at (302) 736-7500 (including text telephone

communications). Inquiries may be sent to the Commission by Internet e-mail addressed to "susan.neidig@state.de.us."